

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANAIn re HHG Distributing LLC Case No. 17-01304-11
DebtorsMONTHLY OPERATING REPORT
HHG Distributing LLC

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SCHEDULES

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I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor _____ Date __________
Signature of Joint Debtor _____ Date __________
Signature of Authorized Individual* _____ Date __________
Printed Name of Authorized Individual _____ CEO / CFO _____

Title of Authorized Individual _____

* Authorized individual must be an officer, director, or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

HHG Distributing LLC
DEBTORS AND DEBTORS IN POSSESSION
Condensed Consolidated Statement of Income (unaudited)

<i>(In Thousands)</i>	For the Period of January 1, 2020 to January 31, 2020
Net Sales	\$ -
Cost of Goods Sold	- _____
Gross Profit	- _____
 Operating Expenses:	
Advertising Expense, Net	-
Occupancy Costs	-
Data Communications	-
Repair and Maintenance	-
Company Insurance (Non-Medical)	-
Employee Benefits	-
Wage Expense	-
Employee Services	-
Travel and Entertainment	-
Bank Transaction Fees	-
Professional Fees	-
Stock Compensation Expense (Benefit), Net	-
Gain/Loss on Early Extinguishment of Debt	-
Depreciation and Amortization	-
Administrative and Sales Expense	-
Product Services Expense	-
Bad Debts	-
 Total Operating Expenses	- _____
 Operating Income	- _____
Interest Expense, net	-
Other Income/(Expense)	-
 Income Before Taxes	- _____
Income Tax Expense/(Benefit)	-
 Net Income	\$ - _____

HHG Distributing LLC
DEBTORS AND DEBTORS IN POSSESSION
Condensed Consolidated Balance Sheet (unaudited)

<i>(In Thousands)</i>	<i>As of 1/31/2020</i>	
Assets		
Cash	\$	-
Credit Card and Trade Accounts Receivable, Net	\$	-
Accounts Receivable - Other	\$	-
Merchandise Inventories	\$	-
Prepaid Expenses and Other Assets	\$	-
Income Taxes Receivable	\$	-
Total Current Assets	<u><u>\$</u></u>	<u><u>-</u></u>
Property and Equipment, Net	\$	-
Capitalized Financing Fees, Net	\$	-
Goodwill	\$	-
Trademarks, Net	\$	-
Other Assets, Net	\$	-
Total Assets	<u><u>\$</u></u>	<u><u>-</u></u>
Liabilities and Stockholders' Deficit		
Accounts Payable	\$	-
Oustanding Customer Deposits, Credits, Refunds	\$	-
Unredeemed Gift Card Liability	\$	-
Other Accrued Expenses	\$	-
Deferred Tax Liability	\$	-
DIP Loans	\$	-
Total Current Liabilities	<u><u>\$</u></u>	<u><u>-</u></u>
Deferred Rent	\$	-
LT Deferred Compensation	\$	-
Other Long-term Liabilities	\$	-
Liabilities Subject to Compromise	\$	-
Total Liabilities	<u><u>\$</u></u>	<u><u>-</u></u>
Preferred Stock	\$	-
Common Stock	\$	-
Retained Earnings / (Accumulated Deficit)	\$	-
Treasury Stock	\$	-
Additional Paid-in Capital	\$	-
Total Stockholders' Deficit	<u><u>\$</u></u>	<u><u>-</u></u>
Total Liabilities and Stockholders' Deficit	<u><u>\$</u></u>	<u><u>-</u></u>

HHG Distributing LLC
DEBTORS AND DEBTORS IN POSSESSION
Condensed Consolidated Statement of Cash Flows (unaudited)

	For the Period of January 1, 2020 to January 31, 2020
<i>(In Thousands)</i>	
Cash flows from operating activities:	
Net cash provided by (used in) operating activities	\$ -
Cash flows from investing activities:	
Purchases of property and equipment	-
Proceeds from sale of property and equipment	-
Other	-
Net cash used in investing activities	-
Cash flows from financing activities:	
Net Borrowings (Repayments) on Line of Credit	-
Increase/(decrease) in cash and cash equivalents	-
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	<u>\$ -</u>

HHG Distributing LLC
DEBTORS AND DEBTORS IN POSSESSION
Total Disbursements by Filed Legal Entity (unaudited)

(In Thousands)

For the Period of January 1, 2020 to January 31, 2020

Legal Entity	Case Number	Disbursements
HHG Distributing LLC	17-01304-11	\$ -

HHG Distributing LLC
DEBTORS AND DEBTORS IN POSSESSION
Bank Reconciliations (unaudited)

(In Thousands)

G/L Acct	Account Name	Bank Acct #	Debtor	Description	Bank Balance	Ledger Balance	As of Date	Reconciled
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NOTE: No bank accounts are held by HHG Distributing LLC

Gregg Appliances, Inc.

DEBTORS AND DEBTORS IN POSSESSION

Total Disbursements to Retained Professionals (unaudited)

(In Thousands)

For the Period of January 1, 2020 to January 31, 2020

Retained Professionals		Approved Amounts (1)	Disbursements
MORGAN, LEWIS & BOCKIUS LLP	Legal Services	\$ 1,878	\$ -
STIFEL, NICOLAUS & COMPANY INC	Bankruptcy Services	\$ -	\$ -
BERKELEY RESEARCH GROUP LLC	Bankruptcy Services	\$ 2,423	\$ -
DONLIN, RECANO & COMPANY INC	Bankruptcy Services	\$ -	\$ -
ICE MILLER LLP	Legal Services	\$ 1,938	\$ -
BINGHAM GREENBAUM DOLL LLP	Bankruptcy Services	\$ 203	\$ -
MALFITANO PARTNERS	Bankruptcy Services	\$ 66	\$ -
COOLEY LLP	Bankruptcy Services	\$ 2,276	\$ -
PROVINCE, INC.	Bankruptcy Services	\$ 556	\$ -
DLA PIPER LLP US	Bankruptcy Services	\$ -	\$ -
FAEGRE BAKER DANIELS LLP	Bankruptcy Services	\$ -	\$ -
CHOATE HALL & STEWART LLP	Bankruptcy Services	\$ -	\$ -
ASK LLP	Bankruptcy Services	\$ -	\$ -
GREAT AMERICAN GROUP	Bankruptcy Services	\$ -	\$ -
GAVIN SOLMENESE LLC	Bankruptcy Services	\$ 136	\$ -
CHIPMAN BROWN CICERO & COLE, LLP	Legal Services	\$ 60	\$ -
Total		\$ 9,538	\$ -

(1) Approved amounts represent the amount of fees and expenses that were approved by court order for payment by the Debtors to each professional from commencement of the case through January 2020.

HHG Distributing LLC
DEBTORS AND DEBTORS IN POSSESSION
Summary of Unpaid Post-Petition Debts (unaudited)
As of 1/31/2020

(In Thousands)

HHG Distributing LLC (17-01304-11)

	Current	Number of Days Past Due					Total
		0-30	31-60	61-90	Over 90		
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wages Payable	-	-	-	-	-	-	-
Taxes Payable	-	-	-	-	-	-	-
Rent/Leases-Building	-	-	-	-	-	-	-
Utilities Payable	-	-	-	-	-	-	-
Insurance Reserves	-	-	-	-	-	-	-
Secured Debt/Adequate Protection Payments	-	-	-	-	-	-	-
Professional Fees	-	-	-	-	-	-	-
Amounts Due to Insiders	-	-	-	-	-	-	-
Outstanding Customer Deposits, Credits, Refunds	-	-	-	-	-	-	-
Unredeemed Gift Card Liability	-	-	-	-	-	-	-
Deferred Rent	-	-	-	-	-	-	-
LT Deferred Compensation	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Post-Petition Debts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

HHG Distributing LLC

DEBTORS AND DEBTORS IN POSSESSION

Schedule of Federal, State, & Local Taxes Collected, Received, Due or Withheld (unaudited)

(In Thousands)

For the Period of January 1, 2020 to January 31, 2020

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Federal						
Withholding	\$ -	\$ -	\$ -			\$ -
FICA - Employee	\$ -	\$ -	\$ -			\$ -
FICA - Employer	\$ -	\$ -	\$ -			\$ -
Unemployment	\$ -	\$ -	\$ -			\$ -
Income	\$ -	\$ -	\$ -			\$ -
Total Federal Taxes	\$ -	\$ -	\$ -			\$ -
State and Local						
Withholding	\$ -	\$ -	\$ -			\$ -
Sales and Use	\$ -	\$ -	\$ -			\$ -
Excise	\$ -	\$ -	\$ -			\$ -
Unemployment	\$ -	\$ -	\$ -			\$ -
Real Property	\$ -	\$ -	\$ -			\$ -
Personal Property	\$ -	\$ -	\$ -			\$ -
Other	\$ -	\$ -	\$ -			\$ -
Total State and Local	\$ -	\$ -	\$ -			\$ -

HHG Distributing LLC
DEBTORS AND DEBTORS IN POSSESSION
Accounts Receivable Aging (unaudited)

(In Thousands)

As of January 31, 2020

Accounts Receivable Reconciliation

	Credit Card Receivables	Trade Accounts Receivable	Total Credit Card and Trade Accounts Receivable
Total Accounts Receivable at the beginning of the reporting period	\$ -	-	\$ -
+ Amounts billed during the period	-	-	-
- Amounts collected during the period	-	-	-
- Other Adjustments (Writeoffs/Credit Memos/Adjustments/Chargebacks/Signifyd Funding)	-	-	-
Total Accounts Receivable at the end of the reporting period	\$ -	\$ -	\$ -

As of January 31, 2020

Accounts Receivable Aging

< 90	\$ -	\$ -	\$ -
91+	-	-	-
Total Accounts Receivable	-	-	-
Amount Considered Uncollectible	-	-	-
Accounts Receivable, Net	\$ -	\$ -	\$ -

NOTES

HHG Distributing LLC
DEBTORS AND DEBTORS IN POSSESSION
Questionnaire

	Yes	No			
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X			
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X			
3. Have all post-petition tax returns been filed timely? If no, provide an explanation below.	X				
4. Are workers compensation, general liability, and other necessary insurance coverages in effect? If no, provide an explanation below.	X				
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X			
Account Name	Purpose	Business	Acct Number	Bank Name	Date